

## Old-Age, Disability, Death

First and current law: 1980.

Type of program: Provident fund system. Lump-sum benefits only.

**Exchange rate:** U.S.\$1.00 equals 2.16 kina (K).

### Coverage

Employed persons in firms with 25 or more workers (establishments growing or processing cocoa, copra, palm oil, rubber or tea are exempt). Similar but independent system for public employees.

### Source of Funds

**Insured person:** 5% of earnings. (Employee may elect to pay up to 10%.)

**Employer:** 7% of payroll.

**Government:** None.

### Qualifying Conditions

**Old-age benefit:** Age 55 and retirement from covered employment, or at any age with 15 years of contribution. Also paid before age 55 with less than 15 years but subject to reduction. Full benefits also payable if permanently emigrating, or (after 6-month waiting period) if laid off work.

Members can also withdraw their own contributions and up to 30% of the employers' contributions for the sole purpose of providing housing. This is treated as an advance on benefits.

**Disability benefit:** Total permanent incapacity.

**Survivor benefit:** Death of insured worker prior to retirement.

### Old-Age Benefits

**Old-age benefit:** Lump sum equal to total employee and employer contributions, plus accrued interest.

### Permanent Disability Benefits

**Disability benefit:** Lump sum equal to total employee and employer contributions, plus accrued interest.

### Survivor Benefits

**Survivor benefit:** Lump sum equal to total employee and employer contributions, plus accrued interest.

Payable to surviving spouse or other dependent relatives.

### Administrative Organization

National Provident Fund Board, administration of program through tripartite board and director.

### Coverage

Employed persons, including public employees.

Exclusions: Casual workers.

### Source of Funds

**Insured person:** None.

**Employer:** Whole cost, through direct provision of benefits or insurance premiums.

**Government:** None.

### Qualifying Conditions

**Work-injury benefits:** No minimum qualifying period.

### Temporary Disability Benefits

**Temporary disability benefit:** 100% of earnings up to K35 a week.

### Permanent Disability Benefits

**Permanent disability pension:** K35 a week if totally disabled and prior annual earnings exceeded K1,335. 60% of this amount paid if annual earnings were K800-1,335; 27% paid if annual earnings were less than K800.

Dependents' supplements: Up to K8.50 a week for wife, K5 per child under age 16, according to earnings.

Partial disability: Lump sum of up to K13,500 according to earnings and degree of incapacity.

### Workers' Medical Benefits

**Medical benefits:** Medical treatment and transportation.

### Survivor Benefits

**Survivor grant:** Lump sum of up to K13,500 according to earnings and degree of dependency, payable to surviving spouse or other dependents.

Orphans: Up to K5 a week per child under age 16, according to earnings of insured and degree of dependency.

Funeral grant: Lump sum of up to K300, according to earnings.

### Administrative Organization

Department of Labor and Industry, administration of program.

**Please note:** This information is more than 4 years old.

## Sickness and Maternity

Medical services available free of charge or at nominal cost in government clinics and hospitals, within limits of facilities available.

## Work Injury

First and current law: 1958.

Type of program: Employer liability/compulsory insurance with private carrier.